
UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 8:23-cv-00439-JLS-JDE

Date: January 18, 2024

Title: State Automobile Mutual Insurance Co. et al v. Hyundai Motor America et al

Present: **Honorable JOSEPHINE L. STATON, UNITED STATES DISTRICT JUDGE**

Gabby Garcia
Deputy Clerk

N/A
Court Reporter

Attorneys Present for Plaintiffs:

Attorneys Present for Defendant:

Not Present

Not Present

**PROCEEDINGS: (IN CHAMBERS) ORDER TO SHOW CAUSE RE:
MISJOINDER**

Rule 20 provides that “[p]ersons may join in one action as plaintiffs if: (A) they assert any right to relief jointly, severally, or in the alternative with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences; and (B) any question of law or fact common to all plaintiffs will arise in the action.” Fed. R. Civ. P. 20(a)(1). Rule 20’s “single transaction or occurrence requirement is not met where plaintiffs would have to prove their claims or defendants would have to litigate their defenses on an individualized basis.” *Corley v. Google, Inc.*, 316 F.R.D. 277, 284 (N.D. Cal. 2016); *see also Coughlin v. Rogers*, 130 F.3d 1348, 1350 (9th Cir. 1997) (“Plaintiffs’ claims are not sufficiently related to constitute the same transaction or occurrence.”).

“[E]ven once [Rule 20’s] requirements are met, a district court must examine whether permissive joinder would comport with the principles of fundamental fairness or would result in prejudice to either side.” *Visendi v. Bank of Am., N.A.*, 733 F.3d 863, 870 (9th Cir. 2013) (cleaned up). “[T]he potential for hundreds of mini-trials and the likelihood of jury confusion” strongly suggest joinder would be unfair and prejudicial. *Corley*, 316 F.R.D. at 289. Moreover, courts are to apply the joinder and misjoinder rules “to promote trial convenience and to expedite the final determination of disputes.” *League to Save Lake Tahoe v. Tahoe Reg. Planning Agency*, 558 F.2d 914, 917 (9th Cir.

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1977). “A determination on the question of joinder of parties lies within the discretion of the district court.” *Corley*, 316 F.R.D. at 282.

Under Rule 21, “[o]n motion or on its own, the court may at any time, on just terms, add or drop a party.” Fed. R. Civ. P. 21. “In appropriate cases, courts can remedy misjoinder by dismissing the claims of all but the first named plaintiff without prejudice to the filing of individual actions.” *Visendi*, 733 F.3d at 871.

In its prior order granting Defendants’ motion to strike class allegations, the Court determined that “individual questions overwhelm common ones” such that Plaintiffs’ action could not possibly be certified under Rule 23(b)(3). (Order, Doc. 81 at 5–13.) For similar reasons, the Court now questions whether the 98 Plaintiffs named in this action can, under Federal Rule 20, and/or should, in the Court’s discretion, litigate their subrogation claims against Defendants in a single action.

Therefore, the Court ORDERS Plaintiffs to show cause why the Court should not dismiss all but the first named Plaintiff from this action. Specifically, Plaintiffs shall address: (1) whether all 98 Plaintiffs’ claims arise out of “the same transaction, occurrence, or series of transactions or occurrences”; (2) whether joinder of all 98 Plaintiffs is unfair or prejudicial to Defendants; and (3) whether joinder of all 98 Plaintiffs promotes trial efficiency. Plaintiffs’ response is due within **ten days** of the date of this Order. Defendants have **ten days** thereafter to submit any response. No further briefing is permitted. Each side’s briefing shall not exceed **ten pages**. After the Court has received the parties’ briefing, the matter will be deemed under submission and the Court will thereafter issue an order.

Initials of Deputy Clerk: gga